

By: Ellis

S.B. No. 120

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the rate of the motor vehicle sales and use tax imposed
3 on certain motor vehicles.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 152.001, Tax Code, is amended by adding
6 Subdivision (20) to read as follows:

7 (20) "Hybrid motor vehicle" means a motor vehicle that
8 draws propulsion energy from both gasoline or conventional diesel
9 fuel and a rechargeable energy storage system.

10 SECTION 2. Section 152.021, Tax Code, is amended by
11 amending Subsection (b) and adding Subsection (c) to read as
12 follows:

13 (b) Except as provided by Subsection (c), the [The] tax rate
14 is 6-1/4 percent of the total consideration.

15 (c) The tax rate for a hybrid motor vehicle, other than a
16 plug-in hybrid electric motor vehicle as defined by Section
17 152.0902(a), is 3.125 percent of the total consideration.

18 SECTION 3. Section 152.022(b), Tax Code, is amended to read
19 as follows:

20 (b) The tax is imposed at the appropriate rate prescribed by
21 Section 152.021 on [rate is 6-1/4 percent of] the total
22 consideration.

23 SECTION 4. Section 152.026(b), Tax Code, is amended to read
24 as follows:

1 (b) The tax rate is 10 percent of the gross rental receipts
2 from the rental of a rented motor vehicle for 30 days or less. The
3 tax on [~~and 6-1/4 percent of~~] the gross rental receipts from the
4 rental of a rented motor vehicle for longer than 30 days is imposed
5 at the appropriate rate prescribed by Section 152.021.

6 SECTION 5. Section 152.028(b), Tax Code, is amended to read
7 as follows:

8 (b) The tax is imposed at the appropriate rate prescribed by
9 Section 152.021 on [~~rate is 6-1/4 percent of~~] the total
10 consideration.

11 SECTION 6. Subchapter E, Chapter 152, Tax Code, is amended
12 by adding Section 152.0902 to read as follows:

13 Sec. 152.0902. CERTAIN PLUG-IN ELECTRIC MOTOR VEHICLES.

14 (a) In this section:

15 (1) "Plug-in electric motor vehicle" means a motor
16 vehicle that is powered exclusively by an electric motor supplied
17 by batteries that can be charged from an external electrical
18 outlet.

19 (2) "Plug-in hybrid electric motor vehicle" means a
20 motor vehicle that draws propulsion energy from both gasoline or
21 conventional diesel fuel and batteries that can be charged from an
22 external electrical outlet.

23 (b) The taxes imposed by this chapter do not apply to the
24 sale or use of a plug-in electric motor vehicle or plug-in hybrid
25 electric motor vehicle.

26 SECTION 7. The change in law made by this Act does not
27 affect tax liability accruing before the effective date of this

1 Act. That liability continues in effect as if this Act had not been
2 enacted, and the former law is continued in effect for the
3 collection of taxes due and for civil and criminal enforcement of
4 the liability for those taxes.

5 SECTION 8. This Act takes effect September 1, 2009.